

Sugar & Gur Domestic Fundamentals:

- Mixed sentiments recorded in sugar prices on Wednesday as markets could not find adequate cues to define the prices either side.
- Govt plan to ease sugar stock holding limit for traders due to ample sugar stocks in the market. The decision would results in rebound in prices in the coming days in spot as well as in future market.
- Govt. conduct meeting tomorrow to take decision on further sugar exports allowance under OGL.
- Fresh demand from Gujarat and Rajasthan markets pull the spot market sugar prices up in Kolhapur market.
- Gur price are steady to positive in various spot market on Wednesday. Demand has been improved from Gujarat and Rajasthan market for Chaku gur. We are expecting that the prices will increase in the coming days as decrease in temperature improves demand from Gujarat and Rajasthan markets which further increase the prices of Gur.

Outlook:

Sugar spot prices are moving sideways to negative. We are expecting that the prices may go down further due to subdued demand and good arrivals in the markets. Overall good production scenario of sugar also pressurizes the prices of sugar in the coming months.

NCDEX Sugar Futures

| Contract | +/- | Open | High | Low | Close |
|----------|-------|---------|---------|---------|---------|
| July-11 | 52.00 | 2555.00 | 2624.00 | 2555.00 | 2604.00 |
| Aug-11 | 55.00 | 2598.00 | 2658.00 | 2595.00 | 2645.00 |
| Sept-11 | 51.00 | 2630.00 | 2678.00 | 2630.00 | 2669.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Jul-11 | 31980 | 18540 | 29980 | 4290 |
| Aug-11 | 6370 | 2520 | 16080 | 1210 |
| Sept-11 | 1750 | 920 | 2210 | 680 |

| Spread | Jul-11 | Aug-11 | Sept-11 |
|---------|--------|--------|---------|
| Basis | 47 | 6 | -18 |
| July-11 | | 41 | 65 |
| Aug-11 | | | 24 |

| Stocks | Demat | In-Process | Total | FED |
|------------|----------|------------|----------|----------|
| | 21.06.11 | 21.06.11 | 21.06.11 | 20.06.11 |
| Kolhapur M | 1245 | 549 | 1794 | 1245 |
| Belgaum S | 798 | 0 | 798 | 798 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|-------|
| Aug-11 | 747.20 | 747.80 | 730.00 | 743.60 | +4.00 |
| Oct-11 | 675.50 | 680.00 | 665.80 | 673.60 | +1.10 |
| Dec-11 | 659.50 | 659.50 | 647.20 | 656.50 | +2.70 |

NCDEX Gur Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|------|---------|---------|---------|---------|
| July-11 | 2.50 | 986.00 | 993.00 | 986.00 | 989.50 |
| Sept-11 | 7.00 | 1006.00 | 1013.00 | 1003.50 | 1010.50 |
| Nov-11 | 9.00 | 937.50 | 941.50 | 937.50 | 941.50 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| July-11 | 3630 | -1400 | 11160 | -130 |
| Sept-11 | 1930 | -450 | 7330 | 380 |
| Nov-11 | 50 | -10 | 790 | -10 |

| Spread | July-11 | Sept-11 | Nov-11 |
|---------|---------|---------|--------|
| Basis | -9.5 | -30.5 | 38.5 |
| July-11 | | 21 | -48 |
| Sept-11 | | | -69 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-------|
| July-11 | 27.50 | 27.53 | 26.86 | 27.49 | +0.02 |
| Oct-11 | 26.21 | 26.31 | 25.57 | 26.26 | +0.05 |
| Mar-12 | 25.64 | 25.75 | 25.05 | 25.70 | +0.06 |

Brazil Sugar Quotes (Kingsman)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 606.50 | +1.00 |
| Raw Sugar C&F (\$/MT) | Black Sea | 651.50 | +1.00 |
| Sugar White FOB (\$/MT) | Santos Port | 748.75 | +1.00 |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|--------|--------|
| Aug'11/Jul'11 | 140.75 | 6.79 |
| Oct'11/Oct'11 | 99 | -38.12 |
| Dec'11/Oct'11 | 82.75 | -5.14 |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity | Price | Change |
|------------------------|-------|--------|
| Brazil Domestic Sugar | 26.62 | 0.04 |
| Brazil Anhydrous | 23.3 | 1.01 |
| Brazil Hydrous | 23.35 | 0.98 |
| Russian Imp. Parity/mt | 78 | -28 |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|-------------------------------|-----------------|------------|--------|
| Sugar | | 22-06-2011 | 21-06-2011 | |
| | Delhi - Grade M | 2800 | 2790 | +10 |
| | Delhi - Grade S | 2725 | 2740 | -15 |
| | UP- Khatuali Grade M | 2800 | 2800 | Unch |
| | UP- Ramala Grade M | 2735 | 2735 | Unch |
| | Mumbai –Grade M | 2666-2811 | 2656-2798 | +13 |
| | Mumbai –Grade S | 2611-2636 | 2601-2641 | -5 |
| | Kolhapur – Grade M | 2506-2651 | 2496-2638 | +13 |
| | Kolhapur – Grade S | 2451-2476 | 2441-2481 | -5 |
| | Vijayawada – Grade M | 2800 | 2800 | Unch |
| | Vijayawada- Grade S | 2730 | 2730 | Unch |
| | Nagpur – Grade S | 2725 | 2720 | +5 |
| | Kolkata – Grade SS | 2760 | 2760 | Unch |
| | Chennai - Grade S | 2545 | 2545 | Unch |
| Gur | Muzaffar Nagar (Cold Storage) | 2450 | 2450 | Unch |
| | Ahmadabad | 2750 | 2725 | +25 |
| | Kolhapur (Superfine) | 3000-3800 | 3000-3800 | Unch |

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg).

Gur Prices are in INR/Quintal (1 Quintal=100 kg).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>